

ONE HUNDRED THIRTEENTH CONGRESS
Congress of the United States
House of Representatives
COMMITTEE ON ENERGY AND COMMERCE
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February 26, 2013

The Honorable Fred Upton
Chairman
Committee on Energy and Commerce
2125 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Ed Whitfield
Chairman
Subcommittee on Energy and Power
Committee on Energy and Commerce
2125 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Upton and Chairman Whitfield:

Earlier this month, the nonpartisan Government Accountability Office (GAO) released its biennial high risk list that for the first time includes “limiting the federal government’s fiscal exposure by better managing climate change risks.”¹ GAO found that the federal government is not well positioned to address the fiscal exposure presented by climate change and needs a government wide strategic approach with strong leadership to manage the risk.² We are writing to request that the Committee hold a hearing to learn more about this issue.

GAO highlights four specific areas within the federal government that are overtly exposed to financial risks due to climate change. The first area of concern is the risk to federally owned and managed infrastructure and lands. According to GAO, the federal government owns and operates hundreds of thousands of buildings and facilities that could be affected by a changing climate, including more than 30 U.S. military installations that are already facing elevated levels of risk from rising sea levels.³ Additionally, the federal government must

¹ Government Accountability Office, *High Risk Series: An Update* (Feb. 2013) (online at www.gao.gov/products/GAO-13-283).

² *Id.* at 15 and 20.

³ *Id.* at 65 and 66.

determine how to address the effects of climate change on the approximately 650 million acres that it manages.⁴

Second, the National Flood Insurance Program and Federal Crop Insurance Corporation are not well suited to addressing climate change. These programs protect homeowners and farmers from losses due to extreme weather events. According to GAO, scientists have found that “the impacts and costliness of weather disasters—resulting from floods, drought, and other events such as tropical cyclones—will increase in significance as what are considered ‘rare’ events become more common and intense due to climate change.”⁵

Third, the GAO report highlights the increased need for federal, state, and local information sharing in order to incorporate fully the impacts of climate change into future decision-making. GAO explains that infrastructure projects require large up front capital investments, and the long lead-time and life of such projects requires adaptive decisions to be made well before potential climate change effects are discernible.⁶

Finally, the report emphasizes the growing financial costs to the federal government through disaster relief funding. Because federal disaster aid can function as the insurance of last resort, a changing climate increases the federal government’s fiscal exposure. From 2004 through 2011, the Federal Emergency Management Association obligated over \$80 billion in disaster aid while disaster declarations increased from 65 in 2004 to a record 98 in 2011.⁷ The costs of inaction could become much greater as budgetary pressures and economic uncertainty continue into the future.

GAO recommends that “[t]he federal government needs a strategic approach with strong leadership and the authority to manage climate change risks that encompasses the entire range of related federal activities and addresses all key elements of strategic planning.”⁸

We believe that the Energy and Commerce Committee, which is the committee with jurisdiction over the nation’s climate and energy policies, should examine GAO’s findings and recommendations. A hearing on this subject would also help us meet our obligation under House Rule XI, clause 2(p), which provides:

⁴ *Id.*

⁵ *Id.* at 61.

⁶ *Id.* at 69.

⁷ *Id.* at 71.

⁸ *Id.* at 72.

The Honorable Fred Upton
The Honorable Ed Whitfield
January 26, 2013
Page 3

Each standing committee, or a subcommittee thereof, shall hold at least one hearing on issues raised by reports issues by the Comptroller General of the US indicating that Federal programs or operations that the committee may authorize are at high risk for waste, fraud, and mismanagement, known as the "high-risk list" or the "high-risk series."

We urge you to schedule a hearing to learn more about the GAO's latest designation and steps the federal government must take to minimize the growing fiscal exposure to climate change impacts. As GAO has found, the impacts of climate change on federal taxpayers are potentially enormous. We need to understand what these impacts are and how they can be addressed.

Sincerely,



Henry A. Waxman
Ranking Member



Bobby L. Rush
Ranking Member
Subcommittee on Energy
and Power